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September 28, 2000

BY HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
12th Street Lobby, TW-A325
Washington, D.C. 20554

RECEIVED

SEP 29 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**Re: In Re Provision of Directory Listing Information Under the
Telecommunications Act of 1934, As Amended,
CC Docket No. 99-273**

Dear Ms. Salas:

Pursuant to Section 1.1206(b) of the Commission's Rules, this letter is to inform the Commission that Brett Haan, Vice President of Telegate, Inc., Ruth Milkman and Valerie Yates of Lawler, Metzger & Milkman, and I met with Anna Gomez, senior legal advisor to Chairman Kennard on September 28, 2000.

The meeting was held to discuss issues related to Telegate's proposal for pre-subscription of 411. In particular, we emphasized the important consumer benefits to be expected from 411 pre-subscription, especially when balanced against the modest cost of implementing Telegate's proposal. We discussed the issues summarized in the attached Powerpoint presentation and also provided Ms. Gomez a copy of Telegate's written ex parte submission of March 10, 2000, which is a part of this docket.

Should there be any questions concerning this matter, please contact the undersigned.

Very truly yours,



Kelly Cameron
For Powell, Goldstein, Frazer & Murphy LLP

Cc: Anna Gomez

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Presubscription to 411

Presentation by Telegate Inc.

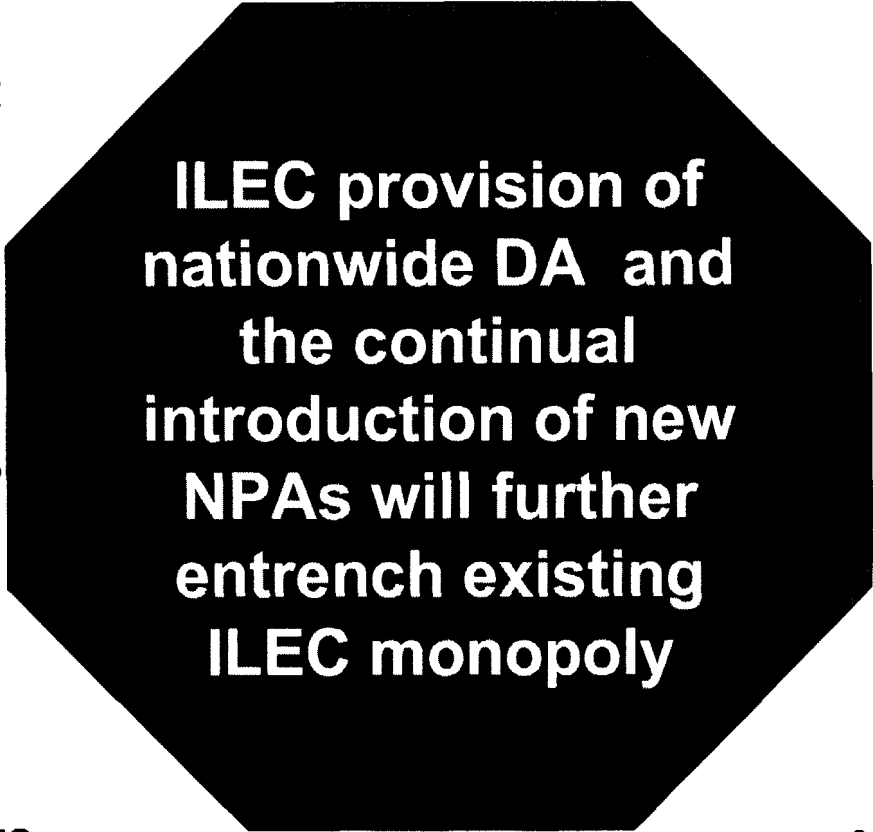
September 28, 2000

411 Directory Assistance

- Universally recognized dialing code for directory assistance
- \$4 billion industry and growing rapidly
- Monopoly control by ILECs

ILEC Monopoly Control over 411 DA Has Lead to Predictable Harms

- Inaccurate Information
 - Accuracy rates of 80% at best
- Poor Service Quality
- Reduced Innovation
- Unserved Communities
(e.g. Spanish speakers)



ILEC provision of nationwide DA and the continual introduction of new NPAs will further entrench existing ILEC monopoly

Competition for 411 DA Has Obvious Benefits for Consumers

- Incentives to provide accurate information
- Improved service quality
- More innovation
- Service to underserved communities

Telegate's Track Record on DA

- ✓ **98% accuracy**
- ✓ **Serving Underserved markets**
 - Turkish speakers in Germany
 - Plan to target Spanish speakers in U.S.
- ✓ **Job creation:**
 - Germany:
 - 2,000 new jobs
 - Majority high unemployment areas
 - U.S. – plan to build call centers in rural and inner city areas
- ✓ **Bridging Digital divide:** Creating jobs with a future through training to provide enhanced 411 and other information services.

Recognized in Germany as
1999 Employer of the Year

FCC Should Allow Consumers to Presubscribe to 411 DA Service

- FCC has recognized value of 411 to consumers
- Despite visible, expensive marketing campaigns for dial-around DA services, even AT&T and MCI-Worldcom could not compete with ILEC 411 DA
- Presubscription proven successful by long distance competition

Telegate's 411 Presubscription Proposal is a Practical Solution that can be Implemented Cheaply and Easily

- **Technical:** routes calls to subscriber's preferred DA provider using software that is already deployed in vast majority of central office switches.
 - Advanced Intelligent Network software (AIN)
 - Signalling System 7 (SS7)
- **Practical:** proposes balloting and allocation procedure as fairest, most pro-competitive method
- **Costs:**
 - Technical fix approx. \$21M
 - Just over \$1/line (one-time charge)

FCC Has Complete Record and Can Establish 411 Presubscription Now

- September 9, 1999: FCC releases Directory Listing Information NPRM
- October 13, 1999 Telegate files Comments proposing allowing customers to choose their 411 DA provider.
- March 10, 2000 Telegate files detailed *ex parte* outlining proposal
- April 27, 2000: FCC releases Public Notice seeking comment on Telegate's proposal
- May 30, 2000: 15 parties file Comments
- June 14, 2000: 8 parties file Reply Comments

About Telegate Inc.

- Subsidiary of Telegate AG
 - Competitive provider of DA in Germany
 - Acquired 22% of the market in just 3 years.
- Entering US Market:
 - May 2000: Acquired CFW's DA operations
 - outsourcer to AT&T and others
 - Building 2 call centers to provide Spanish language DA